



November 3, 2016

Ex Parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: *Business Data Services in an Internet Protocol Environment (WC Docket No. 16-143);
Special Access for Price Cap Local Exchange Carriers (WC Docket No. 05-25); AT&T
Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange
Carrier Rates for Interstate Special Access Services (RM-10593)*

Dear Ms. Dortch:

USTelecom and several other parties have made the case that there is robust competition in the business data services (BDS) marketplace.¹ This is especially true for Ethernet services.² Recent statements by BT Americas submitted in another FCC proceeding confirm the availability of competitively-priced, low-bandwidth Ethernet services: "XO offers a valuable and innovative Ethernet BDS service in the 10 and sub-10 Mbps BDS market that a surprising number of BT's customers have ordered even though BT provisioned this as a form of access to BT's global managed services about only four years ago."³ In light of persistent filings in the record claiming that low-bandwidth Ethernet services are not competitive, we urge the Commission not to ignore this and other clear evidence of Ethernet competition.

Sincerely,

Diane Griffin Holland

¹ See, e.g., Ex Parte Letter from USTelecom to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 16-143, 05-25, RM-10593, at 2 (filed Sep. 9, 2016) (USTelecom Sep. 9 Letter) (explaining that there is at least one competing network in 95% of the census blocks in the country containing 99% of business establishments).

² See Fact Sheet, Chairman Tom Wheeler, "CHAIRMAN WHEELER'S PROPOSAL TO PROMOTE FAIRNESS, COMPETITION, AND INVESTMENT IN THE BUSINESS DATA SERVICES MARKET" (rel. Oct. 7, 2016) (declining to impose ex ante pricing regulation on Ethernet); see also USTelecom Sep. 9 Letter at 4 (noting that the data show no evidence of market power in the provision of Ethernet services).

³ Ex Parte Letter from BT Americas to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-70 (filed Oct. 27, 2016) (explaining why the Commission should require Verizon to maintain XO's existing Ethernet over Copper platform for five years if it approves the merger between those two parties).